



**Dorchester House**  
Multi-Service Center

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July 23, 2010



Commissioner John Auerbach  
Department of Public Health  
Determination of Need Program  
99 Chauncy Street, 2<sup>nd</sup> Floor  
Boston, Massachusetts 02111

Dear Commissioner Auerbach:

I am writing to you in my capacity as Chair of the Governing Board of Dorchester House Multi-Service Center. A majority of our Board is asking you to incorporate the following thoughts regarding the pending sale of Caritas Christi Health Care System to Cerberus Capital Management, LLP into your deliberations on that subject and to add this letter to the testimony you are assembling.

Dorchester House operates a community health center that has a long history with the Carney Hospital, a key institution within the Caritas system. Carney has been a vital community resource for many of our patients and indeed for the Dorchester community. We are concerned that without proper oversight and conditions being placed on the pending sale, the services provided by this important resource could be compromised and our community made the worse for it.

We are a consumer driven board, as is required of all Federally Qualified Health Centers, and in that capacity we try to represent the patients and other consumers of Dorchester House. Our intent in submitting this testimony is to do this on behalf of our larger consumer base and of the community from which our board is drawn.

Specifically, we wish to see that Carney Hospital's vital inpatient and specialty care continue to be available to Dorchester House patients and to our community. In order for this to happen Carney must remain a full service acute care hospital well into the future. We are concerned however that Cerberus as a private equity firm whose first loyalty must be to its investors, and who has no track record in owning or operating hospitals, may not see this as a priority or may lack the capacity to make that happen. This is especially true when the financial and capital challenges of the Caritas system will likely take more than the three year Cerberus commitment to Caritas to turn the system – or at least the Carney Hospital – into a profitable operation.

We are also worried that in trying to achieve profitability, Cerberus might wish to reconfigure its primary care relationships, its inpatient beds and its outpatient care in areas such as mental health, care for the elderly and substance abuse. If, for example, Cerberus decides that the flow of inpatient admissions to Carney would best be assured through its own primary care network, this could destabilize the fragile system of community health center care as it presently exists, and could have public health implications well beyond the status of Carney.

We know that there is wide support within the City of Boston for this sale and conversion and we appreciate how important it is for Caritas Christi to have found an entity that has the resources to turn around its fortunes. We fervently hope that Cerberus will be the answer we are all looking for. However, we cannot ignore the risks that such an arrangement poses and neither should you. We keep asking ourselves, what will happen after three years? And we are asking for your vigilance as this process moves toward a final decision. If there are any conditions that you can place on this sale that would help assure the continued operation of Carney Hospital and the protection of the community health centers in its service area, we ask that you impose and subsequently monitor compliance with them.

Thank you for your consideration,

Sincerely

A handwritten signature in cursive script that reads "Laurie Martinelli".

Laurie Martinelli  
Chair